



## *Inland Empire Utilities Agency*

A MUNICIPAL WATER DISTRICT

6075 Kimball Ave, • Chino, CA 91708  
P.O. Box 9020 • Chino, Hills, CA 91709  
TEL (909) 993-1600 • FAX (909) 993-9000  
[www.ieua.org](http://www.ieua.org)

December 15, 2010

California Air Resources Board  
Clerk of the Board, Air Resources Board  
1001 I Street, Sacramento, California 95814  
Submitted electronically to: <http://www.arb.ca.gov/lispub/comm/bclist.php>

RE: California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

To Whom It May Concern:

On behalf of the Inland Empire Utilities Agency (IEUA), I would like to thank you for this opportunity to submit comments regarding the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms. We are a municipal water district that provides wastewater, recycled water and renewable energy services as well as distributes imported water supplies to the 800,000 residents located in the west end of San Bernardino County.

First, we join with the California Wastewater Climate Change Group's (CWCCG) December 15, 2010 comments and will not reiterate those points in detail here, other than to encourage ARB staff to seriously consider the unique role that the state's water and wastewater agencies can play in the immediate development and implementation of distributive generation renewable energy projects (including combined heat and power) and how this could support early successful implementation of the cap and trade program. We also add our commendation of ARB staff for being extremely attentive to stakeholder concerns throughout this process.

The key issue that we want to address in this letter is the development of the offset protocols. Like CWCCG, we support ARB's intent to develop its own protocols through a public process and discourage reliance on Climate Action Reserve (CAR) protocols. We also believe that the protocols should include an option for direct measurement of emission factors.

Several years ago, IEUA participated in CAR's protocol process addressing anaerobic digestion of dairy manure. As part of that process, we provided CAR with information developed through a peer-reviewed California Energy Commission (CEC) Public Interest Energy Research (PIER) project on how actual measurements of emission factors improved the identification of offset values in a formula that otherwise (and understandably) is predicated on conservative default estimates. CAR was focused on releasing a protocol that would be "easy" for implementers of these types of projects to use and rejected the addition of an option for using verifiable on-site data.

*Water Smart – Thinking in Terms of Tomorrow*

Terry Catlin  
President

Angel Santiago  
Vice President

Michael E. Camacho  
Secretary/Treasurer

Gene Koopman  
Director

John L. Anderson  
Director

Thomas A. Love  
Chief Executive Officer  
General Manager

CAR was correct that there is a need for "plug number" formula as the starting point or baseline for the calculation of offset values. But it failed to recognize the long term value to California's cap and trade system of strengthening the data on which offset calculations are based. Entities which invest in on-the-ground measurements that show improved performance over the default numbers should be allowed to use this information to calculate their offsets. Being rewarded for making this additional investment is appropriate and will have ancillary benefits as other air quality issues, such as improvements in criteria pollutant emissions, are likely to be identified as well.

Thank you for your consideration of our comments. Please contact Martha Davis on my staff if you have any questions at (909) 993-1742 or [mdavis@ieua.org](mailto:mdavis@ieua.org).

Sincerely,

INLAND EMPIRE UTILITIES AGENCY

A handwritten signature in cursive script that reads "Thomas A. Love".

Thomas A. Love  
General Manager

cc: Steve Cliff  
Sam Wade  
Manpreet Badyal  
Jackie Kepke  
Chris Berch  
Leanne Hamilton  
Bob Spurgin  
Michael Boccadoro